



## **Alibaba Group Agrees to US\$2 Billion Share Purchase from SoftBank Group**

*Alibaba Partnership also participates with additional US\$400 million*

**Hangzhou, China, June 1, 2016** – Alibaba Group Holding Limited (NYSE: BABA) today announced that it has agreed to a US\$2 billion purchase of Alibaba Group shares from SoftBank Group. The company intends to fund the transaction with cash-on-hand.

Further to the US\$2 billion share purchase, members of the Alibaba Partnership, acting collectively, will enter into an agreement with SoftBank Group to acquire an additional US\$400 million of Alibaba shares at the same price per share as the purchase by Alibaba Group.

These transactions have been agreed in conjunction with SoftBank Group's launch of US\$5 billion in principal amount of mandatory exchangeable trust securities (METS) that are exchangeable into Alibaba shares in three years. All of the transactions announced today were initiated by SoftBank Group in order to generate proceeds that will be used to increase SoftBank's liquidity cushion, improve its leverage ratio and enable flexible and prudent financial management for SoftBank. This transaction will be SoftBank Group's first sale of Alibaba stock since its initial investment in 2000. As of March 31, 2016, SoftBank Group held 32% of Alibaba Group's total outstanding shares, and assuming all of the proposed transactions as described in SoftBank's press release are completed, SoftBank's shareholding in Alibaba Group would be reduced to 28%.

“Under the leadership of Masayoshi Son, SoftBank has been a highly valued, long-time partner of Alibaba for more than 16 years, and we look forward to continuing our strong partnership together,” said Jack Ma, Executive Chairman of Alibaba Group. “As SoftBank looks to strengthen its own balance sheet, Alibaba determined that it was the best use of our capital to re-invest in our own business through an efficient buyback of a large number of shares in our own company that is accretive to our stockholders.”

Alibaba Group's management will host a conference call to discuss these transactions at 6:30 p.m. U.S. Eastern Time on Wednesday, June 1, 2016 (6:30 a.m. Hong Kong Time on Thursday, June 2, 2016).

Details of the conference call and a live webcast will be available at <http://www.alibabagroup.com/en/ir/newsevents>. An archived webcast will be available through the same link following the call.

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